

**ALL THAT MARKETS WANT FOR CHRISTMAS**

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**Risk Dashboard for Dec 21–Jan 1**

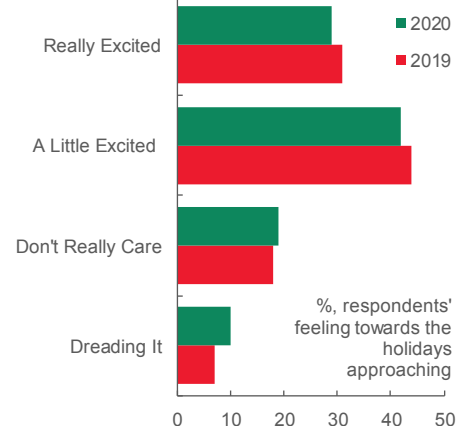
- Brexit
- US stimulus/funding deals
- CBs: PBOC, BoT, Turkey
- China PMIs
- Light US, Canadian, Asian releases

## Season's Greetings!

Best wishes for a safe and happy holiday season from all of us.

*To our clients & readers, thank you for your continued interest in Scotiabank publications.*

The next issue of *The Global Week Ahead* will be published on January 8, 2021.

**Chart of the Week**
**Canadians' Holiday Spirit Has Not Wavered Despite Hardships This Year**


Sources: Scotiabank Economics, Angus Reid Institute.

Chart of the Week: Prepared by: Evan Andrade, Economic Analyst.

## All that Markets Want for Christmas

I'll start this two-week holiday season edition of the Global Week Ahead with heartfelt wishes that a highly atypical holiday season will bring to all of our families, friends, clients and colleagues the very best they could wish for and with particular emphasis upon your safety and health during these troubled times. I'm sure the coming year will carry its own challenges, but on balance there is reason to be confident that 2021 will offer greater hope than the terrible challenges this year has brought upon the world and particularly the least advantaged.

The near-term path to 2021 that is considered in what follows will be marked by greater uncertainty in terms of the inextricably intertwined politics, economics and markets, before my favourite chart for 2021 gains more traction into the new year (chart 1). At the point of publishing, major question marks continue to hang over Brexit and the prospects for US stimulus and for funding the US government to avoid an ill-timed interruption of services during a pandemic. The cautiously optimistic scenarios are still preferred outcomes on both counts and could contribute to a more construction start to 2021 for markets and the global economy, but we'll know soon enough! It may at least be comforting that you won't have to pour over many central bank statements and forecasts and there will be a relative dearth of economic indicators to consider, so sit back, perhaps have a glance at what follows, but spend much, much more of your time cherishing your families, loved ones and friends. Merry Christmas and Happy New Year!

### BREXIT—STUCK ON FISH

All that seems to stand in the way of avoiding a so-called hard Brexit outcome in the new year is to strike a compromise on fish. Good luck is required. While seemingly trivial, the issue strikes to the heart of a nation's sovereignty by way of determining access to waters it controls. It also carries greater weight in terms of politics than the rounding error share that fisheries represent in UK GDP.

Canadians, for one, can probably relate. Recall the dispute with France in the 1980s over the maritime boundaries around the French Islands of St. Pierre and Miquelon and the contribution of huge European fishing trawlers and floating factories toward the long-term decimation of the east coast cod stocks. Or recall the political power wielded by the dairy industries on both sides of the Canada-US border in the quest toward a NAFTA 2.0 deal. Small sectors commonly punch above their weight particularly when fisheries get combined with growing concern about the environment.

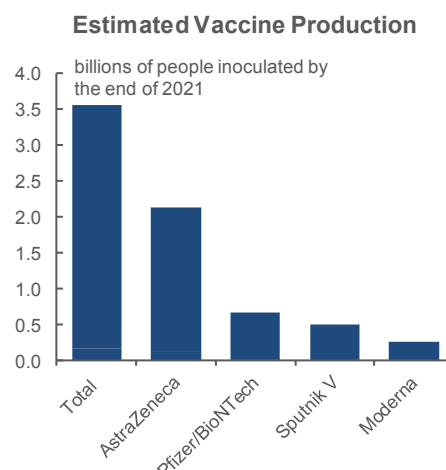
At the time of writing, it appears as though most other major differences in the Brexit negotiations have been settled. The European Union has delivered an ultimatum to the UK to moderate its demands over controlling access to fisheries. Both sides are warning that while a deal may be struck, it may also fall apart which could be simply fairly typical posturing in the late stages of any high stakes negotiations.

### US STIMULUS TALKS ENSNARE THE FEDERAL RESERVE

At the time of publication, we still don't have either a deal to fund the US government beyond the midnight expiration of funding on December 18<sup>th</sup> or an agreement that would extend expiring stimulus and other measures on December 31<sup>st</sup>. A government shutdown is among the possibilities, but it seems to be a remote prospect as bipartisan members of Congress indicate they may pass another continuing resolution to fund the government at least over the weekend or possibly longer and until agreement can be reached.

Whereas President Trump has indicated support for a stimulus package, the obstacles to striking deals reside within Congress itself. Key disputes holding up agreement toward a roughly US\$900 billion aid package and a bill to fund the government through the fiscal year ending next September include a last-minute effort to set provisions that would block the Federal Reserve from resurrecting credit facilities that expire at the end of 2020.

Chart 1



Sources: Scotiabank Economics, Various Press Releases.

**CENTRAL BANKS—TURKEY’S REVENGE**

Only three central banks will weigh in with policy decisions over the next two weeks.

The People’s Bank of China is expected to leave its one- and five-year Loan Prime Rates unchanged on Sunday December 20<sup>th</sup> at 3.85% and 4.65%, respectively. This expectation was confirmed when it recently left its one year Medium Term Lending Facility Rate unchanged at 2.95%. 2021 will amplify debate over whether the PBOC should continue toward normalizing policy in the face of tumbling inflation (chart 2). Present inflation may reflect lagging effects of the pandemic shock on supply chains while a recovering economy could reassert price pressures over 2021–22. Still, inflation has usually fallen shy of the PBOC’s 3% target.

Turkey’s central bank is expected to hike on December 24<sup>th</sup>. Well, Merry Christmas to you too! A minority think they may hold at a one-week repo rate of 15% but most expect a hike between 100–200bps. One driver of such expectations is sustained upward pressure upon inflation. Turkey’s core CPI rate of inflation is running at over 13% y/y and has roughly doubled since about one year ago. If they hold off hiking then one reason might be that the lira has been somewhat stabilized over recent weeks following its steady depreciation over the year (chart 3) and so inflation pass-through may be perceived to be peaking.

Taiwan’s central bank is expected to leave its benchmark rate unchanged at 0.5% on Wednesday December 23<sup>rd</sup>.

**MACRO INDICATORS—CHINA, US & CANADA TO DOMINATE**

Most of the indicator risk will be focused upon releases out of China and the US over the next two weeks, but even at that it will likely be fairly modest risk.

**China’s state versions of the purchasing managers’ indices will be the main release of potential significance to global markets over the holiday period.** They arrive on Wednesday December 30<sup>th</sup>. China’s economy has benefited in part from restocking across the world’s major economies as well as a recovering domestic economy as reflected in rising PMIs (chart 4). It’s uncertain whether this will persist through lockdowns and restrictions that have swept through its major trading partners.

**US releases will be front-loaded into the first of the coming two holiday period weeks and especially on two days.** On Tuesday, the Conference Board’s consumer confidence metric for December is expected to rise a touch, existing home sales for November are expected to soften given weakening pending home sales, and the Richmond Fed’s manufacturing gauge will be released to further inform ISM-manufacturing expectations.

On Wednesday, markets will be watching for another rise in US core capital goods orders in November and a probable softening in consumer spending given what we saw in retail sales combined with tightening restrictions on services and weaker incomes. Headline and core PCE inflation are expected to be little changed, and so are new home sales in November. Weekly claims will be the following week’s only real focus.

**Canada only faces GDP for October on the Wednesday before Christmas.** StatsCan guided on December 1<sup>st</sup> that the economy probably grew by about 0.2% m/m

Chart 2

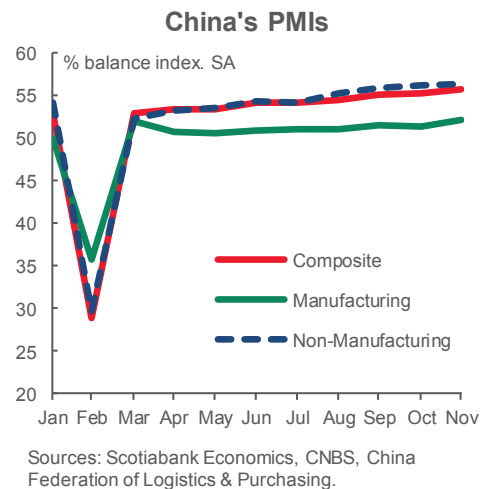


Chart 3

**A Depreciating Lira Has Been a Problem for the Central Bank of Turkey**



Chart 4



in October. Since then, retail sales volumes registered a mild 0.2% m/m gain in October, manufacturing sales volumes were flat and wholesale trade volumes were up by 1.0% m/m. On net, these readings somewhat beat expectations overall but it's also the case that revisions were more positive than not. As such, it's feasible that September GDP gets revised up to cancel out potential upside in October's growth rate. There will be no other scheduled releases or events in Canada over the two-week period.

In Europe, the week of Christmas will offer absolutely nothing on the macro calendar while the subsequent week only brings out retail sales from Germany and Spain as well as Spanish CPI to kick off another round of Eurozone inflation readings.

Latin American markets will be no different from Europe and Canada. The first of the two holiday weeks will only bring out Brazil's mid-month inflation reading for December (Tuesday) and Mexico's retail sales for October on Monday and unemployment figures for November on Thursday. The week of New Year's only offers up Chilean retail sales and industrial production during November on the Thursday.

**Key Indicators for week of December 21 – January 1**
**NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
MX	12/21	07:00	Retail Sales (INEGI) (y/y)	Oct	--	--	-7.1
US	12/22	08:30	GDP (q/q a.r.)	3Q T	33.1	33.1	33.1
US	12/22	08:30	GDP Deflator (q/q a.r.)	3Q T	--	3.6	3.6
US	12/22	10:00	Consumer Confidence Index	Dec	98.0	97.0	96.1
US	12/22	10:00	Existing Home Sales (mn a.r.)	Nov	6.78	6.7	6.9
US	12/22	10:00	Existing Home Sales (m/m)	Nov	-1.0	-2.2	4.3
US	12/22	10:00	Richmond Fed Manufacturing Index	Dec	--	12.0	15.0
MX	12/23	07:00	Bi-Weekly Core CPI (% change)	Dec 15	0.4	0.5	0.0
MX	12/23	07:00	Bi-Weekly CPI (% change)	Dec 15	--	0.3	-0.1
MX	12/23	07:00	Global Economic Indicator IGAE (y/y)	Oct	--	-5.7	-5.5
US	12/23	07:00	MBA Mortgage Applications (w/w)	Dec 18	--	--	1.1
CA	12/23	08:30	Real GDP (m/m)	Oct	0.2	--	0.8
US	12/23	08:30	Durable Goods Orders (m/m)	Nov P	0.5	0.6	1.3
US	12/23	08:30	Durable Goods Orders ex. Trans. (m/m)	Nov P	0.5	0.5	1.3
US	12/23	08:30	PCE Deflator (m/m)	Nov	0.1	0.1	0.0
US	12/23	08:30	PCE Deflator (y/y)	Nov	1.2	1.2	1.2
US	12/23	08:30	PCE ex. Food & Energy (m/m)	Nov	0.1	0.1	0.0
US	12/23	08:30	PCE ex. Food & Energy (y/y)	Nov	1.4	1.4	1.4
US	12/23	08:30	Personal Spending (m/m)	Nov	-0.3	-0.2	0.5
US	12/23	08:30	Personal Income (m/m)	Nov	-0.3	-0.2	-0.7
US	12/23	10:00	New Home Sales (000s a.r.)	Nov	995	990	999
US	12/23	10:00	U. of Michigan Consumer Sentiment	Dec F	--	80.5	81.4
MX	12/24	07:00	Trade Balance (US\$ mn)	Nov	--	2400	6224
MX	12/24	07:00	Unemployment Rate (%)	Nov	--	4.4	4.7
CA	12/24	08:30	Building Permits (m/m)	Nov	--	--	-14.6
US	12/24	08:30	Initial Jobless Claims (000s)	Dec 19	900	863	885
US	12/24	08:30	Continuing Claims (000s)	Dec 12	5500	--	5508
US	12/28	10:30	Dallas Fed. Manufacturing Activity	Dec	--	--	12.0
US	12/29	09:00	S&P/Case-Shiller Home Price Index (m/m)	Oct	--	0.9	1.3
US	12/29	09:00	S&P/Case-Shiller Home Price Index (y/y)	Oct	--	7.0	6.6
US	12/30	07:00	MBA Mortgage Applications (w/w)	Dec 25	--	--	1.1
US	12/30	08:30	Initial Jobless Claims (000s)	Dec 25	--	875	885
US	12/30	08:30	Continuing Claims (000s)	Dec 18	--	--	5508
US	12/30	08:30	Wholesale Inventories (m/m)	Nov P	--	--	1.1
US	12/30	09:45	Chicago PMI	Dec	--	56.9	58.2
US	12/30	10:00	Pending Home Sales (m/m)	Nov	--	-0.5	-1.1

**EUROPE**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
EC	12/21	10:00	Consumer Confidence	Dec A	--	-17.3	-17.6
GE	12/22	02:00	GfK Consumer Confidence Survey	Jan	--	-7.7	-6.7
UK	12/22	02:00	Business Investment (q/q)	3Q F	--	--	8.8
UK	12/22	02:00	Current Account (£ bn)	3Q	--	-12.1	-2.8
UK	12/22	02:00	GDP (q/q)	3Q F	--	15.5	15.5
UK	12/22	02:00	PSNB ex. Interventions (£ bn)	Nov	--	28.3	22.3
UK	12/22	02:00	Public Finances (PSNCR) (£ bn)	Nov	--	--	19.8
UK	12/22	02:00	Public Sector Net Borrowing (£ bn)	Nov	--	27.3	21.6
FR	12/23	02:45	Producer Prices (m/m)	Nov	--	--	0.1
SP	12/23	03:00	Real GDP (q/q)	3Q F	--	16.7	16.7

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

**Key Indicators for week of December 21 – January 1**
**EUROPE (continued from previous page)**

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
TU	12/24	06:00	Benchmark Repo Rate (%)	Dec 24	16.50	16.50	15.00
GE	12/27	03:00	Retail Sales (m/m)	Nov	--	-2.0	2.6
SP	12/28	03:00	Real Retail Sales (y/y)	Nov	--	-5.3	-2.4
UK	12/30	02:00	Nationwide House Prices (m/m)	Dec	--	0.4	0.9
SP	12/30	03:00	CPI (m/m)	Dec P	--	0.2	0.2
SP	12/30	03:00	CPI (y/y)	Dec P	--	-0.7	-0.8
SP	12/30	03:00	CPI - EU Harmonized (m/m)	Dec P	--	0.1	0.1
SP	12/30	03:00	CPI - EU Harmonized (y/y)	Dec P	--	-0.7	-0.8
SP	12/30	04:00	Current Account (€ bn)	Oct	--	--	0.3
RU	12/30	11:00	Real GDP (y/y)	3Q F	--	--	-3.40

**ASIA-PACIFIC**

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
PH	12/20	20:00	Balance of Payments (US\$ mn)	Nov	--	--	3440
CH	12/20	20:30	PBoC Loan Prime Rate 1-Year (%)	Dec 21	3.85	3.85	3.85
TA	12/21	03:00	Export Orders (y/y)	Nov	--	14.3	9.1
HK	12/21	03:30	CPI (y/y)	Nov	0.0	0.0	-0.2
SK	12/21	16:00	PPI (y/y)	Nov	--	--	-0.6
AU	12/21	19:30	Retail Sales (m/m)	Nov P	--	2.5	1.4
JN	12/22	00:00	Supermarket Sales (y/y)	Nov	--	--	2.8
JN	12/22	00:30	Nationwide Department Store Sales (y/y)	Nov	--	--	-1.7
JN	12/22	01:00	Machine Tool Orders (y/y)	Nov F	--	--	8.0
TA	12/22	03:00	Unemployment Rate (%)	Nov	--	3.7	3.8
HK	12/22	03:30	BoP Current Account (HK\$ bns)	3Q	--	--	59.4
PH	12/22	20:00	Budget Deficit/Surplus (PHP bn)	Nov	--	--	-61.4
TH	12/22	22:30	Customs Exports (y/y)	Nov	--	-3.5	-6.7
TH	12/22	22:30	Customs Imports (y/y)	Nov	--	-10.3	-14.3
TH	12/22	22:30	Customs Trade Balance (US\$ mn)	Nov	--	2120	2047
MA	12/22	23:00	CPI (y/y)	Nov	-1.3	-1.5	-1.5
JN	12/23	00:00	Coincident Index CI	Oct F	--	--	89.7
JN	12/23	00:00	Leading Index CI	Oct F	--	--	93.8
SI	12/23	00:00	CPI (y/y)	Nov	-0.4	-0.2	-0.2
TH	12/23	02:05	BoT Repo Rate (%)	Dec 23	0.50	0.50	0.50
TA	12/23	03:00	Industrial Production (y/y)	Nov	--	5.5	7.1
SI	12/24	00:00	Industrial Production (y/y)	Nov	--	11.7	-0.9
JN	12/24	18:30	Jobless Rate (%)	Nov	3.1	3.1	3.1
JN	12/24	18:30	Tokyo CPI (y/y)	Dec	--	-0.8	-0.8
JN	12/24	18:50	Large Retailers' Sales (y/y)	Nov	--	-2.2	2.9
JN	12/24	18:50	Retail Trade (y/y)	Nov	--	1.7	6.4
JN	12/25	00:00	Housing Starts (y/y)	Nov	--	-4.8	-8.3
JN	12/25	00:00	Construction Orders (y/y)	Nov	--	--	-0.1
VN	12/26	21:00	CPI (y/y)	Dec	--	--	1.5
VN	12/26	21:00	Industrial Production (y/y)	Dec	--	--	9.2
SK	12/27	19:00	Discount Store Sales (y/y)	Nov	--	--	2.3
SK	12/27	19:00	Department Store Sales (y/y)	Nov	--	--	4.2
JN	12/27	18:50	Industrial Production (m/m)	Nov P	--	--	4.0
JN	12/27	18:50	Industrial Production (y/y)	Nov P	--	--	-3.0
MA	12/27	23:00	Exports (y/y)	Nov	--	-0.2	0.2
MA	12/27	23:00	Imports (y/y)	Nov	--	-7.8	-6.0
MA	12/27	23:00	Trade Balance (MYR bn)	Nov	--	12.4	22.1

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

**Key Indicators for week of December 21 – January 1**
**ASIA-PACIFIC (continued from previous page)**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
HK	12/28	03:30	Exports (y/y)	Nov	--	--	-1.1
HK	12/28	03:30	Imports (y/y)	Nov	--	--	0.6
HK	12/28	03:30	Trade Balance (HKD bn)	Nov	--	--	-36.8
SK	12/28	16:00	Consumer Confidence Index	Dec	--	--	97.9
PH	12/28	20:00	Bank Lending (y/y)	Nov	--	--	2.1
SK	12/29	16:00	Business Survey- Manufacturing	Jan	--	--	81.0
SK	12/29	16:00	Business Survey- Non-Manufacturing	Jan	--	--	72.0
SK	12/29	18:00	Industrial Production (y/y)	Nov	--	--	-2.2
SK	12/29	18:00	Cyclical Leading Index Change	Nov	--	--	0.4
TH	12/30	02:00	Current Account Balance (US\$ mn)	Nov	--	1157	985
TH	12/30	02:30	Exports (y/y)	Nov	--	--	-5.6
TH	12/30	02:30	Imports (y/y)	Nov	--	--	-12.1
TH	12/30	02:30	Trade Balance (US\$ mn)	Nov	--	--	3170
SK	12/30	18:00	CPI (y/y)	Dec	--	--	0.6
SK	12/30	18:00	Core CPI (y/y)	Dec	--	--	1.0
CH	12/30	20:00	Manufacturing PMI	Dec	--	51.9	52.1
CH	12/30	20:00	Non-manufacturing PMI	Dec	--	56.3	56.4
HK	12/30	20:00	Govt Monthly Budget Surp/Def (HKD bn)	Nov	--	--	-32.7
IN	12/30	22:30	Current Account Balance	3Q	--	--	19.80
IN	12/31	05:30	Fiscal Deficit (INR Crore)	Nov	--	--	39161
SK	12/31	19:00	Exports (y/y)	Dec	--	--	4.1
SK	12/31	19:00	Imports (y/y)	Dec	--	--	-1.9
SK	12/31	19:00	Trade Balance (US\$ mn)	Dec	--	--	5904

**LATIN AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
BZ	12/22	07:00	IBGE Inflation IPCA-15 (m/m)	Dec	--	1.2	0.8
BZ	12/22	07:00	IBGE Inflation IPCA-15 (y/y)	Dec	4.4	4.3	4.2
CO	12/30	10:00	Urban Unemployment Rate (%)	Nov	--	--	16.8
CL	12/31	07:00	Industrial Production (y/y)	Nov	--	--	6.2
CL	12/31	07:00	Retail Sales (y/y)	Nov	--	--	19.6
CL	12/31	07:00	Unemployment Rate (%)	Nov	--	--	11.6

**Global Auctions for week of December 21 – January 1****NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	12/21	12:00	Canada to Sell 10-Year Bonds
US	12/21	13:00	U.S. To Sell 20-Year Bonds Reopening
US	12/22	13:00	U.S. To Sell 5-Year TIPS Reopening
US	12/23	13:00	U.S. To Sell 2-Year FRN Reopening
US	12/28	13:00	U.S. To Sell 2-Year Notes
US	12/28	13:00	U.S. To Sell 5-Year Notes
US	12/29	13:00	U.S. To Sell 7-Year Notes

**EUROPE**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
			No Bond Auctions Scheduled

**ASIA-PACIFIC**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SK	12/20	21:30	South Korea to Sell 400 Billion Won 20-Year Bonds
TH	12/23	22:00	Bk of Thailand to Sell 2022 Bonds
JN	12/23	22:35	Japan to Sell 2-Year Bonds
TA	12/23	23:30	Taiwan to Sell TWD35 Bln 20-Year Bonds



**Events for week of December 21 – January 1****NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
			No Events Scheduled

**EUROPE**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	12/22	04:30	Bank of Portugal's Centeno Speaks in Parliament
EC	12/24	04:00	ECB Publishes Economic Bulletin
TU	12/24	06:00	One-Week Repo Rate

**ASIA-PACIFIC**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	12/21	20:30	PBoC 1-Year Loan Prime Rate
JN	12/22	18:50	BOJ Minutes of October Meeting
TH	12/23	02:05	BoT Benchmark Interest Rate
JN	12/23		BOJ Kuroda Speech at Keidanren

**LATIN AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CO	12/21	17:00	Colombia Monetary Policy Minutes

## Global Central Bank Watch

### NORTH AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Canada – Overnight Target Rate	0.25	January 20, 2021	0.25	0.25
Federal Reserve – Federal Funds Target Rate	0.25	January 27, 2021	0.25	0.25
Banco de México – Overnight Rate	4.25	February 11, 2021	4.25	4.25

### EUROPE

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
European Central Bank – Refinancing Rate	0.00	January 21, 2021	0.00	0.00
European Central Bank – Marginal Lending Facility Rate	0.25	January 21, 2021	0.25	0.25
European Central Bank – Deposit Facility Rate	-0.50	January 21, 2021	-0.50	-0.50
Bank of England – Bank Rate	0.10	February 4, 2021	0.10	0.10
Swiss National Bank – Libor Target Rate	-0.75	TBA	-0.75	-0.75
Central Bank of Russia – One-Week Auction Rate	4.25	TBA	4.25	4.25
Sweden Riksbank – Repo Rate	0.00	February 10, 2021	0.00	0.00
Norges Bank – Deposit Rate	0.00	January 21, 2021	0.00	0.00
Central Bank of Turkey – Benchmark Repo Rate	15.00	December 24, 2020	16.50	16.50

**Central Bank of Turkey (CBRT):** The CBRT will make a policy announcement on Christmas Eve when they are expected to hike the 1-Week Repo Rate by around 150bps. In November the new governor of the CBRT reinstated the 1-Week Repo Rate as its main policy rate and increased the rate by 475 bps. Previously, Turkish banks were forced to borrow from an emergency facility at a higher rate. Inflation rose over two percentage points to 14% y/y in November, mainly driven by a sharp depreciation in the Lira through late October and early November. This will provide central bank officials support for further tightening of monetary conditions.

### ASIA PACIFIC

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Japan – Policy Rate	-0.10	January 21, 2021	-0.10	-0.10
Reserve Bank of Australia – Cash Target Rate	0.10	February 1, 2021	0.10	0.10
Reserve Bank of New Zealand – Cash Rate	0.25	February 23, 2021	0.25	0.00
People's Bank of China – 1-Year Loan Prime Rate	3.85	December 20, 2020	3.85	3.85
Reserve Bank of India – Repo Rate	4.00	February 5, 2021	3.50	4.00
Bank of Korea – Bank Rate	0.50	January 15, 2021	0.50	0.50
Bank of Thailand – Repo Rate	0.50	December 23, 2020	0.50	0.50
Bank Negara Malaysia – Overnight Policy Rate	1.75	January 20, 2021	1.75	1.75
Bank Indonesia – 7-Day Reverse Repo Rate	3.75	TBA	3.75	3.75
Central Bank of Philippines – Overnight Borrowing Rate	2.00	February 11, 2021	2.00	2.00

**People's Bank of China (PBoC):** The Chinese benchmark Loan Prime Rates (LPR) have remained unchanged since April when the 1-year LPR was lowered by 20 bps to 3.85%. We expect the rates to stay on hold over the coming quarters as the economy's solid recovery continues.

**The Bank of Thailand (BoT):** The BoT will make a monetary policy announcement on December 23; we expect the central bank to leave the benchmark interest rate unchanged at 0.50%; it has been lowered by 75 bps since the beginning of the year. Given persistent deflationary pressures, we note that the BoT has monetary policy space left should the economy face renewed softness over the coming months.

### LATIN AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Banco Central do Brasil – Selic Rate	2.00	January 20, 2021	2.00	2.00
Banco Central de Chile – Overnight Rate	0.50	January 27, 2021	0.50	0.50
Banco de la República de Colombia – Lending Rate	1.75	TBA	1.75	1.75
Banco Central de Reserva del Perú – Reference Rate	0.25	January 14, 2021	0.25	0.25

### AFRICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
South African Reserve Bank – Repo Rate	3.50	January 21, 2021	3.50	3.50

Forecasts at time of publication.  
 Sources: Bloomberg, Scotiabank Economics.

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